

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

CLOUDING IP, LLC,

Plaintiff,

v.

VERIZON ONLINE LLC, TERREMARK
NORTH AMERICA LLC and VERIZON
BUSINESS NETWORK SERVICES INC.,

Defendants.

C.A. No. 13-1458-LPS

**REPLY BRIEF IN SUPPORT OF MOTION OF DEFENDANTS
VERIZON ONLINE LLC, TERREMARK NORTH AMERICA LLC, AND
VERIZON BUSINESS NETWORK SERVICES INC. TO BIFURCATE
DAMAGES AND LIABILITY DISCOVERY AND TO STAY
DAMAGES-RELATED FACT AND EXPERT DISCOVERY**

On December 20, 2013, Defendants Verizon Online LLC, Terremark North America LLC, and Verizon Business Network Services Inc. (collectively, “Verizon Defendants”) moved to bifurcate discovery relating to damages issues from the liability issues in this case and to stay damages-related discovery pending claim construction. In doing so, the Verizon Defendants incorporated the briefs filed by defendants named in earlier-filed cases by Clouding IP, namely, *Clouding IP, LLC v. Amazon.com, Inc. et al.*, C.A. No. 12-641-LPS (“Amazon”); *Clouding IP, LLC v. Google Inc.*, C.A. No. 12-639-LPS; *Clouding IP, LLC v. Motorola Mobility LLC*, C.A. No. 12-1078-LPS; and *Clouding IP, LLC v. Rackspace Hosting, Inc. et al.*, C.A. No. 12-675-LPS (collectively, the “Earlier *Clouding* Defendants”).

To avoid burdening the Court with a duplicative brief, the Verizon Defendants join, rely upon, and incorporate herein the arguments and authority described in the opening and reply briefs in support of the Earlier *Clouding* Defendants’ motion to bifurcate damages and liability discovery and to stay damages-related fact and expert discovery (*see, e.g.*, D.I. 127 and 141 in

Amazon). As stated in the Verizon Defendants' opening brief, at this time, the Verizon Defendants do not oppose the Earlier *Clouding* Defendants' request to bifurcate damages and liability issues for trial, but given the early state of the instant case, the Verizon Defendants respectfully request the opportunity to consider and brief the trial bifurcation issue after the Court issues its claim construction order.

Respectfully submitted,

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Dated: January 15, 2014

CERTIFICATE OF SERVICE

I, Benjamin J. Schladweiler, hereby certify that on January 15, 2014, I caused the foregoing ***Reply Brief in Support of Motion of Defendants Verizon Online LLC, Terremark North America LLC, and Verizon Business Network Services Inc. to Bifurcate Damages and Liability Discovery and to Stay Damages-Related Fact and Expert Discovery*** to be served via electronic mail upon the following individuals:

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